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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91225628
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

TENCENT HOLDINGS LIMITED, Opposer, v. DELSON GROUP INC., Applicant.	Consolidated (Parent) Opposition No. 91207516 TM: TENCENT (Serial No. 85/538,374)
DELSON GROUP INC. Opposer, v. TENCENT HOLDINGS LIMITED Applicant.	(Child) Opposition No. 91215611 Opposition No. 91225628 Opposition No. 91225630 TM: TENCENTWEIBO (Serial No. 85/455,475)

**DELSON GROUP INC.'S OPPOSITION TO TENCENT HOLDINGS
LIMITED'S MOTION TO STRIKE**

Delson Group, Inc. (“Delson”) hereby opposes the Motion to Strike (the “Motion”) filed by Tencent Holdings Limited (“THL”) in the two child proceedings: Opposition Nos. 91225628 and 91225630.

I. INTRODUCTION

The Motion should be denied for two independent reasons. First, THL has waived its right to file a motion to strike under Rule 12(f). The federal rules require a party to file all of its Rule 12 defenses and objections at the same time, with mandatory waiver of any motion that “was available to the party but omitted from its earlier motion.” FRCP 12(g). All the allegations at issue in the Motion were in Delson’s original Notice. The objections to the allegations were thus available to THL when it filed its first Rule 12 motion (a motion to dismiss) on February 11, 2016. By its failure to file its motion to strike together with the motion to dismiss, THL has waived its right to ever raise such a motion. For that reason, the Motion should be denied as a matter of procedure.

Second, the Motion should also be denied because the allegations at issue are background and history statements that have reasonable bearing on the case. THL fails to recognize the long-established rule that a motion to strike is generally disfavored. THL also advocates an erroneous relevancy test while the law is clear that a statement does not have to be relevant to any defenses or claims to survive a motion to strike, as long as it has some bearing on the case, e.g., by way of background and history, to help the Board to better understand the case. All the allegations at issue have some bearing on the case. The allegation regarding the direct access by the Chinese government of THL’s main servers provides the background and potentially discoverable information on the issue of server location, which the Board has ruled to be discoverable matter in the parent proceeding. The allegation regarding the export license (export control permit) is also a matter that the Board has held to be relevant in the parent proceeding. The allegation regarding THL’s contempt of the Board’s orders on the issues of main server location and export license provides the case history that helps the Board to better understand the issues of the two

child proceedings. The allegation regarding THL's chairman's misrepresentation to the Trademark Office provides a context for THL's overall trademark strategy in the United States and may even be impeachment material in this case. The allegation regarding THL's threat against Prof. Lu and his family also provides the contextual background for this case, serving to inform the Board about THL's general business practice. The allegation regarding THL's litigation practice also provides the historical and background information on THL's improper trademark strategy.

The motion to strike should be denied.

II. RELEVANT FACTUAL BACKGROUND

A. Facts Regarding THL's Waiver of the Motion to Strike

On January 4, 2016, Delson filed notices opposing application serial no. 86633476 (proceeding no. 91225628) and application serial no. 86633487 (proceeding no. 91225630).¹ The notices are, pursuant to Delson's use thereof, for the mark TENCENT and allege a likelihood of confusion and a false connection under section 2(d) and 2(a) of the Trademark Act, respectively.

On February 11, 2016, THL filed respective motions to dismiss in both proceedings.

On February 25, 2016, Delson filed amended Notices of Opposition in both proceedings.

On May 26, 2016, the Board issued an order finding, inter alia, that THL's motions to dismiss were moot and consolidated all pending proceedings between Delson and THL.

On June 24, 2016, THL filed the instant motion to strike seven paragraphs in Delson's amended and original notices:

10. On information and believe, THL's central and main data centers or servers for its Goods/Services of TENCENT have been fully open to, accessible by, and/or controlled by, a foreign government as of its filing date of THL's Application, for whatever reasons.

¹ Delson initially did not have legal counsel in the two proceedings. Instead, Delson's principal, Prof. Lu, filed the Notices of Opposition himself. LiLaw Inc. was told about the proceedings and was later engaged only after THL filed the motions to dismiss and motion to consolidate.

11. On information and belief, THL's central and main data centers or servers for its Goods/Services of THL's other trademark applications or registrations, including Serial Numbers 85455432, 85876114, 85767185, 85980053, 85687478, 85725040, 85888910, 85455475, etc. were fully open to, accessible by, and/or controlled by, a foreign government as of the filing dates of THL's applications, for whatever reasons.

12. On information and belief, even though THL had Goods/Services of TENCENT in the U.S. market, it did not have U.S. export control permits required by U.S. laws before exporting technologies and information of related Goods/Services to certain countries including China, as of the filing date of THL's Application.

...

16. In the consolidated proceeding No. 91207516, THL is in open contempt of the Board order to produce its U.S. Export Control Permit to export technology and information to its China headquarter. Also, THL is in open contempt of the Board order to admit its main server and central datacenter in China for U.S. national security concern, but with related services in U.S. markets by American citizens.

...

18. THL's chairman, founder and CEO Ma Huateng made false statement, declaration and non-U.S. use specimen before USPTO in order to obtain registration for THL's marks (Exhibit 3).

19. On information and belief, THL was involved in threatening Prof. Willie Lu, a former member of U.S. federal FCC Technological Advisory Council and member of U.S. delegation for ITU mission, etc., and his family on his investigating THL's MAIN SERVER in China (with related services in U.S. markets by American citizens, such as THL's Wechat and Weixin services with American citizens but with MAIN servers or CENTRAL datacenters in China) for U.S. national security concern and U.S. homeland security protection.

20. In the consolidated proceeding No. 91207516, THL, one of the largest internet companies in CHINA with assets over US\$200B, tried to use the lengthy and expensive TTAB proceedings including motions and requests, etc. as a weapon, to financially attack and harass American small business like Delson and American Inventor like Prof. Willie W. Lu.

(Mo, pp. 2-3.) (Parenthesis in original.)

All seven paragraphs were present in Delson's original notices in identical forms. As discussed in the Argument section, the instant motion to strike should be denied as THL has

waived the objections to the seven paragraphs when it failed to raise the objections together with its motion to dismiss on February 11, 2016.

B. Facts regarding the Relevance of THL's Main Server Location and Export Permits

Some allegations at issue concern THL's main server location and export control permits. The parties have already litigated the relevance of these issues before the Board, and the Board has rejected THL's resistance to permit discovery on the issues.

On June 11, 2014, Delson propounded on THL its First Set of Interrogatories, which includes the following Interrogatory 11:

Describe all the facts Concerning any online or wireless services that THL has offered in the United States, including (but not limited to) the following information for each service: (1) the name of the service; (2) ***the location of the computer server or servers that host the service***; (3) the number of users of the service in the United States for each year from its inception; and (4) the annual revenue that THL generates from the service for each year since its inception.

Ex. A (Delson's 1st set of interrogatories) at 6 (emphasis added).

Delson properly justified the relevance of the location of the servers in its motion to compel response to the interrogatory:

Further, also as Delson stated during the meet and confer, the hosting of various online services is featured prominently in THL's statement of use for the Marks-at-Issue. Delson also believes that such hosting of online services such as games, chats and emails is the only use, if any, of the Marks-at-Issue by THL in the United States. The evidence regarding the location of the servers is thus reasonably calculated to lead to discovery of admissible evidence, in that by knowing the location and other properties of the servers, Delson will be able to make a decision on how to conduct some meaningful discovery on the contents of the servers, which will potentially yield much evidence as to the priority of use and the likelihood of confusion. ***Further, one crucial piece of evidence that THL may proffer to prove its use in the United States is that the hosting servers for these online services are located in the United States. Delson is thus entitled to know the locations of the servers.***

Ex. B (Delson's Motion to Compel filed on 9/25/2014) at 9 (internal citations omitted).

In its order granting Delson's motion to compel, the Board overruled THL's objections to Interrogatory 11. Specifically, the Board found that "[w]ith respect to 11(2), Delson has

sufficiently set forth in its motion why the information sought is relevant.” Ex. C (Order of 3/3/2015) at 7.

With respect to the issue of export control licenses, Delson propounded Request for Admission 14 and Interrogatory 10, which states respectively:

Admit that THL has never applied for export licenses for transferring to China information or things Concerning its R&D in the U.S.

Ex. D (Delson’s 1st set of RFAs) at 5.

Describe all the facts and arguments that may support the contention that THL has conducted research and development (“R&D”) in the U.S. within the coverage of International Classification code 042, including (but not limited to) the following specifics: (1) the nature and subject matters of the R&D; (2) the time when the R&D was conducted; (3) the places (including addresses) where the R&D was conducted; (4) the means by which the R&D procedures and results were conveyed to THL’s headquarters in China; and (5) ***the identification of the export control licenses Concerning the R&D, including but not limited to the government entity that issued the licenses and the identification numbers of the licenses.***

Ex. A at 6.

In its Motion to Compel, Delson justifies the relevancy of export license in the following way:

For the purpose of proving priority of use and likelihood of confusion, Delson has propounded these RFAs with the intent to gain insight as to whether and when THL conducted R&D in the United States. Export licenses are required for most, if not all, of telecommunication technology information that has dual use in military and civilian industries. Because THL is based in China, it is inevitable that THL must have applied for export permits for conducting research and development activities in the United States in the wireless and other telecommunication area. If THL has no such export licenses, it is by itself a piece of admissible evidence to show that THL has never conducted any research and development activities in the United States. If THL has applied such export licenses, the dates of the application would be a good indication as to the starting date of the research and development activities.

Ex B at 4-5 (internal citations omitted).

In granting Delson’s motion to compel, the Board again overruled THL’s objections to both RFA 14 and Interrogatory 10. Ex. C at 6 & 10. Thus, as discussed in the Argument section, because of the reasonable bearing of the main server location and export license, the motion to

strike should be denied on the substance, too, if for whatever reason the Board decides to review the motion despite the waiver.

III. ARGUMENT

A. The Motion to Strike Has Been Waived and Should Be Denied as Such

Under the Federal Rules of Civil Procedure, “a party that makes a motion under [Rule 12] must not make another motion under this rule raising a defense or objection that was available to the party but omitted from its earlier motion.” FRCP 12(g). This rule is a rule of mandatory consolidation of all Rule 12 motions², as held by one federal appellate court:

If a party seeks dismissal in a pretrial motion based on any of the defenses set out in Rule 12(b), he must include in such motion any other defense or objection then available which Rule 12 permits to be raised by motion. If the party omits such defense or objection, Rule 12(g) precludes him from making a further motion seeking dismissal based on the omitted defense or objection.

Albany Ins. Co. v. Almacenadora Somex, S.A., 5 F.3d 907, 909 (5th Cir. 1993).

The same mandatory waiver rule applies even if an amended complaint (or an amended notice of opposition as in this case) is filed after the filing of the Rule 12 motion; that is, a party is precluded from filing another Rule 12 motion “raising a defense or objection that was available to the party but omitted from its earlier motion.” FRCP 12(g); *see also 5 Wright & Miller*, § 1391.

The objection that THL is raising in the motion to strike was certainly available to it on February 11, 2016 when it filed its motion to dismiss. The identical paragraphs that THL seeks to strike in the amended Notice were also present in the original Notice. *See* Notice of Opposition filed on January 4, 2016, ¶¶ 10-12, 16, 18-20. Thus, the objections that THL is raising in the instant motion should have been raised together with its motion to dismiss filed on February 11,

² Except for the nonwaivable defenses such as lack of subject matter jurisdiction, which are irrelevant to the instant motion.

2016. By failing to file the motion to strike then, THL has waived the right to file such a motion. For that reason, the motion to strike should be denied as a matter of procedure.

B. The Motion to Strike Should Be Denied Also on Substance

1. Motion To Strike Is Disfavored; A Showing of Undue Prejudice Is Required

Like all federal courts, this Board disfavors motions to strike filed under Fed. R. Civ. P. 12(f) or TBMP § 506. *Harsco Corp. v. Elec. Scis., Inc.*, 1988 TTAB LEXIS 46, *3 (TTAB 1988). *Harsco* held:

matter will not be stricken from a pleading unless it is clear that it can have no possible bearing upon the subject matter of the litigation . . . Even if the allegations are redundant or immaterial, they need not be stricken if their presence in the pleading cannot prejudice the adverse party. If evidentiary facts are pleaded, and they aid in giving a full understanding of the complaint as a whole they need not be stricken.

Id., quoting 2A Moore's Federal Practice, Section 12.21[2] (2nd ed. 1985); see also TBMP § 506.01.

Contrary to THL's contention, relevance is not the correct test for deciding a motion to strike. *See Lipsky v. Commonwealth United Corp.*, 551 F.2d 887, 893 (2nd Cir. 1976) ("ordinarily neither a district court nor an appellate court should decide to strike a portion of the complaint on the grounds that the material could not possibly be relevant on the sterile field of the pleadings alone."). The standard for motion to strike is not relevancy, but rather whether the allegations provide "context and background." *Guinan v. Boehringer Ingelheim Vetmedica, Inc.*, 803 F.Supp.2d 984, 990 (N.D.Iowa 2011), "[E]ven matters that are not 'strictly relevant' to the principal claim at issue should not necessarily be stricken, if they provide 'important context and background' to claims asserted or are relevant to some object of the pleader's suit." *Id.*

Further, irrelevant materials need not be stricken "if their presence in the pleading cannot prejudice the adverse party." *Harsco Corp.*, 1988 TTAB LEXIS 46, *3. "[A]llegations cannot be viewed in isolation in determining whether it is misleading or prejudicial. *See Colaprico v. Sun Microsystems, Inc.*, 758 F.Supp. 1335, 1340 (N.D.Cal. 1991) ("This court, however, rejects defendants' implied assertion that the paragraphs of a complaint can be viewed in isolation. Instead . . . the many statements must be viewed as part of a 'mosaic' to see if these statements, in the aggregate, created a misleading impression."). Importantly, "[i]f there is any

doubt as to the possibility of relevance, a judge should err on the side of denying a Rule 12(f) motion ...” *Schramm v. Krischell*, 84 F.R.D. 294, 299 (D.Conn. 1979).

2. The Allegations Have Reasonable Bearing on the Case

a) Foreign Government’s Access or Control of THL’s Main Servers

It is Delson’s contention in this case that the alleged early use of the TENCENT mark by THL all happened in China. It is also Delson’s contention that all the main servers that hosted the services that THL relies on for its priority contention were located in China. The fact that the Chinese government can directly access or control THL’s servers is evidence that the servers are indeed located in China. The Board has already ruled in the parent proceeding that the main server location is relevant information for discovery. Ex. C at 7. The two child proceedings at issue are the mirror images of the parent proceeding³ and thus have substantially the same issues as the parent proceeding. It is thus the law of the case in the consolidated case that the main server location is relevant information.

Paragraphs 10 and 11 are background information regarding the foreign location of THL’s main servers. The paragraphs allege in essence that THL’s central data centers or main servers relevant to this case are directly accessible by a foreign government, which means the Chinese government. This allegation, if proven true, would provide corroboration for the contention that these main data centers and servers are located inside the People’s Republic of China. Further, the unravelling of how such government direct access to THL’s main servers is achieved will provide information that is reasonably calculated to lead to the evidence regarding the main server location and/or the location of the certain services claimed by THL as the basis of its priority claim. Thus, the allegations of foreign government access to THL’s main servers have sufficient bearing on the relevant issues of the case and should not be stricken.

b) Export Control Permits

Paragraph 12 alleges that THL “did not have U.S. export control permits required by U.S. laws ...” It is also a law of the case that the export permit issue is relevant issue, as held previously by the Board. Ex. C at 6 & 10. Indeed, whether or when THL applied for U.S. export

³ While the parent proceeding is THL’s opposition to Delson’s application for the TENCENT mark, the two new child proceedings are Delson’s objections to THL’s applications for the TENCENT mark.

permit leading to when it was allegedly conducting research and development, etc in the U.S. under the TENCENT mark is highly relevant for the issue of priority.

c) THL's Contempt of the Board

Paragraph 16 alleges that Tencent was “in open contempt” of orders issued by the Board regarding main server location and export control permits. This allegation sets forth the general tenor of THL’s litigation strategy: discovery stonewalling, even on issues that the Board has already ruled against it. The allegation provides a contextual link between the two child proceedings with the parent proceeding and thus has significant bearings on the case.

It is important to note here that allegations which provide background and history for the claims asserted in a pleading are not subject to a motion to strike. *See, e.g., Tivoli Realty v. Paramount Pictures*, 80 F.Supp. 800, 806 (D.Del. 1948). This includes allegations regarding “the background, motivation, context, and content of [plaintiff’s] lawsuits ...” *Lynch v. Southampton Animal Shelter Foundation Inc.*, 278 F.R.D. 55, 65 (E.D.N.Y. 2011). (Denying a Rule 12(f) motion to strike.) Further, opinions having bearing on the background of the case is not subject to motion to strike. *Lynch*, 278 F.R.D. at 64 (Refusing defendant’s request to “strike any portions of the complaint that include the Plaintiff’s opinions about the ... policies and operational practices at the [defendant] ...”).

The contempt allegation describes a piece of history between the parties’ earliest litigation, which is now consolidated with the proceedings where the allegation is at issue. Thus, it is the typical kind of allegation that, though not directly related to any disputed issues, provides “the background and historical data by which the court can obtain fuller understanding of the complaint.” *Tivoli Realty*, 80 F.Supp. at 806. Such bearing on the case through background precludes motion to strike.

d) Huateng Ma's False Statements

Paragraph 18 alleges that THL’s CEO, Huateng Ma, made false statements to the Trademark Office to obtain the QQ trademark of THL. Like the information regarding contempt, this allegation regarding THL’s fraudulent trademark practice provides background information for this case, in terms of informing the Board of THL’s general approach to acquire trademark protection in the U.S. This allegation in fact is more than just for context and background. The underlying facts for the allegation may be admissible impeachment evidence for this case as it

shows that THL has made misrepresentation to the Trademark Office in terms of its use of certain trademarks by THL. Thus, Paragraph 18 has significant bearing on the case and should not be stricken.

e) THL's Threat Directed at Prof. Lu

Paragraph 19 alleges that THL threatened Professor Lu of Delson because of his involvement in helping the U.S. government to investigate how THL uses its Chinese-government controlled main servers for social network services such as WeChat to collect U.S. intelligence. Granted, this allegation has no direct relevance to any issues of the case. However, it provides the Board with the background information regarding the history in the relationship of the two parties, which will help the Board understand the motive of THL behind these cases. Delson indeed plans to conduct discovery on the threats in this case, which is reasonably calculated to lead to admissible evidence regarding motives. However, regardless of whether discovery should be allowed on the issue (which is an issue to be decided in the future), the allegation at least has significant bearing on the case to preclude a motion to strike.

f) THL's Litigation Intent

Paragraph 20 alleges that THL used the cost of participating in Board proceedings to financially harass Delson. Again, these allegations are part of the background and history of the case and thus have reasonable bearing on the proceeding. It is Delson's view that THL in this case resorts to various improper litigation tactics to increase the costs of the case, attempting to exhaust Delson financially to win the case.

3. THL DOES NOT SHOW UNFAIR PREJUDICE

THL does not contend that the allegations at issue are somehow "scandalous." THL, however, claims that the allegations prejudice it as they allegedly may lead to irrelevant discovery and cause "unwarranted interference" at trial. For that position, THL relies on *Hernandez v. Dutch Goose, Inc.*, 2013 U.S. Dist. LEXIS 153707, 2013 WL 5781476 (N.D. Cal. Oct. 25, 2013). *Hernandez*, however, is about striking affirmative defenses for insufficient notices under *Twombly*. *Id.* The reasoning there is inapplicable to the instant case where background and historical statements are at issue. The criteria here is not whether these background statements provide sufficient notice to the other party, as the pleading of affirmative

defenses must in *Hernandez*, but whether they have any bearing on the case at all. These background statements mostly do not invoke any need for discovery. To the extent any discovery related to the background story is needed in the future, there is no prejudice to THL because it may always refuse to conduct such discovery if it considers it unjustified under federal discovery rules. The claim of “unwarranted interference” at trial is based primarily on the erroneous notion that these background statements have no bearing on the case. To the contrary, as discussed above, these statements have significant bearing mostly as contextual information. To the extent that Delson may conduct discovery on any issues related to the allegations, the issues may be resolved under normal discovery rules. To the extent that Delson will attempt to introduce any evidence at trial that may be related to the allegations, it will be a normal evidentiary matter for the Board to decide whether to allow such evidence. Thus, to say these allegations somehow prejudice THL is an unfounded exaggeration.

To the contrary, to ask the Board to strike the statements now is to ask the Board to rule on discovery and evidentiary matters “*on the sterile field of the pleadings alone*,” which is improper. *See Lipsky*, 551 F.2d at 893.

IV. CONCLUSION

The Motion to Strike should be denied because it has been waived. The Motion should be denied also because the allegations at issue have reasonable bearings on the case and are not prejudicial to THL.

Dated: July 11, 2016

Respectfully submitted,

/J. James Li/

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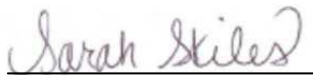
CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing **DELSON GROUP INC.'S OPPOSITION TO TENCENT HOLDINGS LIMITED'S MOTION TO STRIKE**

has been served on Aaron D. Hendelman, Matthew J. Kuykendall, Attorneys for Opposer Tencent Holdings Limited, by mailing said copy on July 11, 2016, via First Class Mail, postage prepaid to:

Aaron D. Hendelman
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Attorneys for Opposer Tencent Holdings Limited

A handwritten signature in purple ink that reads "Sarah Skiles". The signature is written in a cursive, flowing style.

Sarah Skiles

Exhibit A

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

<p>TENCENT HOLDINGS LIMITED, Opposer, v. DELSON GROUP INC., Applicant.</p>	<p>Consolidated Opposition No. 91207516 TM: TENCENT (Serial No. 85/538,374)</p>
<p>DELSON GROUP INC. Opposer, v. TENCENT HOLDINGS LIMITED Applicant.</p>	<p>Opposition No. 91215611 TM: TENCENTWEIBO (Serial No. 85/455,475)</p>

**DELSON GROUP INC.'S
FIRST SET OF INTERROGATORIES
TO TENCENT HOLDINGS LIMITED**

PROPOUNDING PARTY: Delson Group, Inc. (the “Delson” or “Propounding Party”)

RESPONDING PARTY: Tencent Holdings Ltd. (“you,” “THL,” or “Responding Party”)

SET NUMBER: One

INSTRUCTIONS

You shall follow the instructions below in response to the interrogatories propounded in this document (the “Interrogatories”):

1. The Interrogatories are deemed to be continuing in nature. If further responsive facts come into the possession or to the attention of Defendant or its attorneys at any time during the course of this litigation, such facts must be disclosed through supplemental responses to the Interrogatories.

2. Where an Interrogatory can be answered in whole or in part by reference to a preceding or subsequent Interrogatory, it is sufficient to indicate such by specifying the response to the preceding or subsequent Interrogatory by number, and by specifying whether it is claimed that the response to the preceding or subsequent Interrogatory is a full or a partial response. If it is claimed that the response to the preceding or subsequent Interrogatory is a partial response, the response to the balance of the Interrogatory shall be completed.

3. If you refuse to answer an Interrogatory in whole or in part under a claim of privilege, you should state the basis for any asserted claim of privilege within ten (10) days from the date of service for your responses and objections to these Interrogatories, including the identity of the attorney(s) involved in the alleged privileged communications as well the subject matter and date of the communications, and such other information as is sufficient to enable the Court to make an in camera determination as to any privilege or other basis for withholding information.

4. If you object to any part of an Interrogatory and refuse to answer that part, state your objection and answer the remaining portion of the Interrogatory. If you object to the scope

of time period of a request and refuse to answer for that scope or time period, state your objection and answer the request for the scope or time period you believe is appropriate.

5. If any of the Interrogatories cannot be answered in full after exercising due diligence to secure the information, please so state and answer to the extent possible, specifying your inability to answer the remainder and stating whatever information you have concerning the unanswered portion. If your answer is qualified in any way, set forth the details of such qualification.

6. If you find the meaning of any term in these Interrogatories to be unclear, you should assume a reasonable meaning, state what that assumed meaning is, and answer the Interrogatory on the basis of that assumed meaning.

7. All pronouns shall be construed to refer to the masculine, feminine, or neutral gender, in singular or plural, as in each case makes the request more inclusive.

8. The singular form of a noun includes the plural and vice versa, except as the context may otherwise require; the words “and” and “or” shall be construed as either conjunctive or disjunctive, whichever makes the Interrogatory more inclusive; the word “any” means “any and all”; the word “including” means “including without limitation.”

9. Any response made to an Interrogatory referencing one or more Documents or Things shall identify by Bates number or other means by which such documents or things may be conveniently located.

DEFINITIONS

The Definitions in Delson’s First Set of Requests for Production are incorporated by reference as if fully set forth herein.

INTERROGATORIES

Interrogatory No. 1

Identify all the products and services that THL has sold, offered for sale, marketed, or distributed in the United States in connection with or under the Marks-at-Issue.

Interrogatory No. 2

For each product or service identified in your response to Interrogatory No. 1, describe the circumstances under which the product or service was first introduced into the U.S. market, including but not limited to the following information: (a) the date when the product or service was first marketed or advertised in the U.S.; (b) the manner it was first marketed or advertised in the U.S. (e.g., through an advertisement on television); (c) the identity of the person or entity who handled the first marketing or advertisement for the product or service in the U.S.; (d) the date when the first sale of the product or service occurred in the U.S.; and (e) the identity of the customer who paid for the first sale in the U.S.

Interrogatory No. 3

Describe all the facts and arguments that may support the contention that TENCENT is a family mark including TENCENTWEIBO.

Interrogatory No. 4

Describe all the facts and arguments that may support the contention that TENCENT is a famous mark within the meaning of the Trademark Dilution Revision Act.

Interrogatory No. 5

For each product or service identified in your response to Interrogatory No. 1, identify the THL subsidiary that sold, marketed, or distributed the product or service.

Interrogatory No. 6

Identify all the managers and executives for each of THL's U.S. subsidiaries, including a brief description of their respective job responsibilities.

Interrogatory No. 7

For five years before THL filed its opposition on or about October 16, 2012, describe the annual sales of products or services, by each of THL's U.S. subsidiaries, in connection with or under the Marks-at-Issue, including but not limited to the following information: (1) the list of products or services that contributed to the annual sales; (2) the unit price of the sales and the nature of the unitary sales; (3) the volume or quantity of the sales. The "unit price" and "unitary sales" here can be any basic sales unit such as monthly payment by a single user for an online game or the price of a single advertisement placed on an online game. The "volume" or "quantity" simply means the total number of such unitary sales.

Interrogatory No. 8

Describe all the facts and arguments that may support the contention that THL has used the Marks-at-Issue on goods sold in the U.S., including (but not limited to) the following information: (1) the name of the goods; (2) the mark used on the goods; (3) the date of the first use of the mark on the goods; (4) the manner in which the mark is associated with the goods (i.e., whether the mark was placed on the goods, on the package or containers of the goods, or on tags or labels affixed to the goods); and (5) the identities of the documents supporting THL's use of the mark on the goods.

Interrogatory No. 9

Describe all the facts and arguments that may support the contention that THL has used the Marks-at-Issue on services sold in the U.S., including (but not limited to) the following information: (1) the name of the service; (2) the mark used on the service; (3) the date of the first

use of the mark on the service; (4) the manner in which the mark is associated with the service; and (5) the identities of the documents supporting THL's use of the mark on the service.

Interrogatory No. 10

Describe all the facts and arguments that may support the contention that THL has conducted research and development ("R&D") in the U.S. within the coverage of International Classification code 042, including (but not limited to) the following specifics: (1) the nature and subject matters of the R&D; (2) the time when the R&D was conducted; (3) the places (including addresses) where the R&D was conducted; (4) the means by which the R&D procedures and results were conveyed to THL's headquarters in China; and (5) the identification of the expert control licenses Concerning the R&D, including but not limited to the government entity that issued the licenses and the identification numbers of the licenses.

Interrogatory No. 11

Describe all the facts Concerning any online or wireless services that THL has offered in the United States, including (but not limited to) the following information for each service: (1) the name of the service; (2) the location of the computer server or servers that host the service; (3) the number of users of the service in the United States for each year from its inception; and (4) the annual revenue that THL generates from the service for each year since its inception.

Date: June 11, 2014

/J. James Li/

J. James Li, Ph.D.
LiLaw Inc.
Counsel for
Delson Group, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing **DELSON GROUP INC.'S FIRST SET OF INTERROGATORIES TO TENCENT HOLDINGS LIMITED** has been served on Angela A. Sujek, Alan N. Harris, and Karen H. Anderson, Attorneys for Applicant Tencent Holdings Limited, by mailing said copy on June 11, 2014, via First Class Mail, postage prepaid to:

Angela A. Sujek
Alan N. Harris
Karen H. Anderson
BODMAN PLC
201 South Division St., Suite 400
Ann Harbor, MI 48104
Telephone: (734) 761-3680
Facsimile: (734) 930-2494

Attorneys for Applicant Tencent Holdings Limited



Tanya Shatara

Exhibit B

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Consolidated	
TENCENT HOLDINGS LIMITED, Opposer, v. DELSON GROUP INC., Applicant.	(Parent) Opposition No. 91207516 TM: TENCENT (Serial No. 85/538,374)
DELSON GROUP INC. Opposer, v. TENCENT HOLDINGS LIMITED Applicant.	(Child) Opposition No. 91215611 TM: TENCENTWEIBO (Serial No. 85/455,475)

DELSON GROUP INC.'S MOTION TO COMPEL

NOTICE OF MOTION

TO THE BOARD AND ALL PARTIES TO THIS PROCEEDING:

Delson Group Inc. (“Delson”) hereby moves the Board to issue an order compelling Tencent Holdings Ltd. (“THL”) to properly respond to discovery requests including interrogatories, requests for admission, requests for production and to provide deposition dates for identified witnesses. The Motion is supported by the following Memorandum of Points and Authorities and the concurrently-filed Declaration of J. James Li in Support of Delson Group Inc.’s Motion to Compel (“Li Decl.”).

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

By this Motion, Delson asks the Board to compel THL to comply with its duty of discovery. THL has not properly responded to many requests for admission, interrogatories, and requests for production. THL also has failed to proffer its witnesses for depositions. Delson has met and conferred with THL regarding these issues, to no avail.

II. FACTS

On June 11, 2014, Delson served on THL the following discovery requests:

1. Delson Group Inc.’s First Set of Requests for Admission to Tencent Holdings Limited (the “RFAs”) (Li Decl. Ex. A1)
2. Delson Group Inc.’s First Set of Requests for Production to Tencent Holdings Limited (the “RFPs”) (Li Decl. Ex. B1); and
3. Delson Group Inc.’s First Set of Interrogatories (the “Interrogatories”) (Li Decl. Ex. C1)

THL served by mail the responses to the RFAs on July 16, 2014, and the responses to RFPs and Interrogatories on August 15, 2014. Li Decl. Ex. A2, B2, C2.

On August 22, 2014, Delson sent THL a letter starting the meet and confer regarding THL's deficient discovery responses. *Id.* Ex. D. On August 28, the parties had a telephonic meeting, and each agreed to amend their discovery responses somewhat by September 5. *Id.* Ex. E.

On September 5, 2014, THL served its supplemental responses to some of the interrogatories. Li Decl. Ex. C3. The amended responses, however, are far from sufficient.

THL also has failed to provide deposition dates that Delson has been trying to schedule since August 28, 2014. Li Decl. Ex. J.

On September 23, 2014, Delson attempted to further meet and confer with THL regarding the discovery deficiencies. Li Decl. ¶ 6. THL never responded to Delson's request. *Id.*

III. ARGUMENT

A. The Deficient Responses to RFAs

1. Responses to RFA 9 And 10

RFA 9 and 10 ask THL to admit that it has either conducted R&D in the U.S. on wireless technologies or not. THL refused to either deny or admit, on the ground of relevancy "because R&D on wireless technologies is not a claimed service offering." Li Decl. Ex. A2.

It is well-established that the scope of discovery is much broader than the scope of the claims. *McCormick Del., Inc. v. Williams Foods, Inc.*, 2001 TTAB LEXIS 539 (TTAB 2001), citing Fed. R. Civ. P. 26(b)(1) & TBMP Section 402.01 ("The general scope of discovery is broad, and a party may take discovery not only as to matters specifically raised in the pleadings, but also as to any matter which may serve as the basis for an additional claim, defense or counterclaim.").

Delson's TENCENT mark covers the "research and development of computer software and communication software, research and development of system architecture and system hardware in the field of information and communication technology," including "providing

customized computer searching services, namely, searching and retrieving information at the customer's specific request in the field of wireless and mobile communications.” Li Decl. Ex. F. Therefore, there is no question that the R&D on wireless technology is covered by Delson’s trademark application that is directly at issue in the Parent Proceeding of this consolidated case, in which THL filed an opposition to Delson’s application for the mark that covers R&D in the U.S. on wireless technologies.

For the Child Proceeding, THL’s TENCENTWEIBO mark “covers computer software for use in creating, editing and delivering textual and graphic information via computer communication networks, wireless, telephone or other communication tool” and “digital wireless telecommunications software.” *Id.* Ex. G. Thus, RFA 9 and 10 are also relevant to the Child Proceeding where Delson opposes the TENCENTWEIBO mark.

It is thus very difficult to see any valid reason for THL to refuse to respond to RFA 9 and 10. The RFAs are reasonably calculated to lead to discovery of admissible evidence, as whether or not THL has conducted R&D in the U.S. on wireless technology will determine Delson’s approach to uncover evidence related to priority of use and likelihood of confusion.

2. Responses to RFA 11-14

These RFAs are related to whether THL has exported R&D results to a foreign country, especially China. THL did not provide any substantive response to the RFAs, objecting to them on the ground that “exportation is irrelevant to and not reasonably calculated to lead to the discovery of admissible evidence in this Child Opposition.” THL again takes an overly restrictive view toward discovery.

As stated above, Delson uses the Tencent mark in the U.S. primarily for conducting R&D in the wireless communication industry. For the purpose of proving priority of use and likelihood of confusion, Delson has propounded these RFAs with the intent to gain insight as to whether and when THL conducted R&D in the United States. Export licenses are required for most, if not all, of telecommunication technology information that has dual use in military and

civilian industries. Li Decl. Ex. H. Because THL is based in China, it is inevitable that THL must have applied for export permits for conducting research and development activities in the United States in the wireless and other telecommunication area. If THL has no such export licenses, it is by itself a piece of admissible evidence to show that THL has never conducted any research and development activities in the United States. If THL has applied such export licenses, the dates of the application would be a good indication as to the starting date of the research and development activities. Thus, RFA 11-14 are reasonably calculated to lead to discovery of admissible evidence.

B. The Deficient Responses to Interrogatories

1. Response to Interrogatory 1

Interrogatory No. 1 asks THL to identify its products and services that have been sold “in the United States in connection with or under the Marks-at-Issue.” Li Decl. Ex. C1 at 4. There cannot be any valid argument that this interrogatory is in any way improper, as it is tailored to the instant proceeding by limiting it to products and services sold in the U.S. under the Marks-at-Issue. THL made various improper objections to Interrogatory 1, such as “overbroad” and “irrelevant,” simply because THL is “a multibillion dollar company” that “offers a wide range of goods/services throughout the world, including the U.S.” More importantly, THL unilaterally limited its response to “information relevant only to this Consolidated Opposition.” Thus, THL has improperly withheld information in response to Interrogatory No. 1. THL should be compelled to remove the self-imposed limitation and respond to Interrogatory 1 in full.

2. Response to Interrogatory 2

Interrogatory 2 asks THL to describe various items of information for each product or service identified in THL’s response to Interrogatory 1, including

(a) the date when the product or service was first marketed or advertised in the U.S.; (b) the manner it was first marketed or advertised in the U.S. (e.g., through an advertisement on television); (c) the identity of the person or entity who handled the first marketing or advertisement for the product or service in

the U.S.; (d) the date when the first sale of the product or service occurred in the U.S.; and (e) the identity of the customer who paid for the first sale in the U.S.

Li Decl. Ex. C2 at 6.

There cannot be any valid argument that Interrogatory 2 is reasonably calculated to lead to discovery of admissible evidence, as the priority of use is a main issue in this case. THL, however, again made the “overbroad” and “irrelevant” objections, and again stated that it limited its response based on these improper objections.

Moreover, THL’s substantive response to Interrogatory 2 is also deficient. While THL’s response to Interrogatory 1 identified eight categories of literally hundreds of products and services, THL’s response to Interrogatory 2 does not refer to the products and services at all, as required by Interrogatory 2. *Id.* Ex. C2 at 4-5. THL merely provided the following vague response to all products and services in general:

(a) it has been offering its services in the U.S. identified by the Mark TENCENT since 2004 and began actively providing such services and distributing games in the U.S. at least as early as 2007; (b) and (c) the first marketing and advertising of the Mark TENCENT was done by Tencent through its website; (d) through reasonable due diligence, Tencent has determined that the first sale of goods/services in the U.S. occurred at least as early as 2007, but the exact first sale has not yet been determined; and (e) the identity of the customer who paid for the first sale in the U.S. has also not yet been determined.

Id. Ex. C2 at 6-7.

After the meet and confer, THL agreed to supplement the responses. The supplemental response, however, was not much an improvement over the original response. It merely added descriptions of some production documents that purportedly show archived pages from THL’s website describing its services. *Id.* Ex. C3 at 5. THL should be compelled to fully respond to Interrogatory 2.

3. Response to Interrogatory 3

Interrogatory 3 asks THL to state “all the facts and arguments that may support the contention that TENCENT is a family mark including TENCENTWEIBO.” THL refused to

provide any substantive responses, other than pointing out copies of its trademark application. During the meet and confer, THL's counsel stated that THL had not made any family mark contention, but wanted to reserve the right to do so. If that is the case, the response should have been "there are no such facts or arguments at this time." THL should be compelled to properly respond to Interrogatory 3.

4. Response to Interrogatory 5

Interrogatory 5 asks THL to identify the subsidiary that sold each product or service identified in the response to Interrogatory 1. THL's response identified three entities for all the products, but used the disjunctive "or" to indicate that any of the three entities could be responsible for any of the products and services. Li Decl. Ex. C2 at 8. This kind of response does not answer the question at all. THL should be compelled to properly respond to Interrogatory 5.

5. Response to Interrogatory 6

Interrogatory 6 asks THL to identify all the managers and executives of each of the THL's U.S. subsidiaries. THL refuses to respond substantively to the interrogatory. The interrogatory is reasonably calculated to lead to discovery of admissible evidence, as Delson will make a decision as to whether to depose any of the executives regarding the use of the Marks-at-Issue by their respective subsidiaries. THL should be compelled to properly respond to the interrogatory.

6. Response to Interrogatory 7

This interrogatory asks THL to describe the annual sales of products or services related to the Marks-at-Issue by each of its subsidiaries. Initially, THL invoked FRCP 33(d), but did not particularly identify any documents. Li Decl. Ex. C2 at 9. During the meet and confer, THL agreed to amend its response. The amended response, however, only identified some woefully inadequate documents. *Id.* Ex. C3 at 6; Ex. I. THL should be compelled to respond to the

interrogatory in words, as the requested information has to be readily available in its financial database. THL can obtain such information much easier than Delson. Alternatively, if the Board allows THL to rely on FRCP 33(d), adequate documents that contain the requested information must be properly identified and produced.

7. Response to Interrogatory 8

This interrogatory asks THL to describe “all the facts and arguments that may support the contention that THL has used the Marks-at-Issue on goods sold in the U.S.” Initially, THL did not substantively respond to the interrogatory at all. Li Decl. Ex. C2 at 10. After the meet-and-confer, THL amended the response, by invoking FRCP 33(d). *Id.* Ex. C3 at 7. This is improper, as the interrogatory asks for facts and arguments that may support a certain legal contention. Only THL can answer this question; otherwise, Delson would be formulating THL’s arguments and contentions for THL. THL should be compelled to properly respond to Interrogatory 8.

8. Response to Interrogatory 9

Like Interrogatory 8, Interrogatory 9 asks for facts and arguments that may support a certain legal contention. THL’s amended response relying on FRCP 33(d) is thus improper. *Id.* Ex. C3 at 8. THL should be compelled to properly respond to Interrogatory 9.

9. Response to Interrogatory 10

Interrogatory 10 asks THL to describe facts and arguments that may support the contention that THL has conducted R&D in the U.S. within the coverage of IC042. *Id.* Ex. C2 at 11-12. THL did not provide any meaningful response. *Id.* Ex. C2 at 12. During the meet and confer, THL contended that the interrogatory was irrelevant. That argument is inapposite. As discussed earlier in connection with the RFAs, both Delson’s TENCENT mark and THL’s TENCENTWEIBO mark cover R&D. Li Decl. Ex. F & G. The interrogatory is thus directly related to the issues of priority and likelihood of confusion. Also as discussed earlier, the information regarding expert licenses for the R&D results is reasonably calculated to lead to

discovery of evidence related to priority and likelihood of confusion. Thus, THL should be compelled to properly respond to Interrogatory 10.

10. Response to Interrogatory 11

This interrogatory asks for all the facts concerning online and wireless services that THL has offered in the U.S. THL did not provide any substantive response. Li Decl. Ex. C2 at 13. THL should be compelled to properly respond to Interrogatory 11.

During the meet and confer, THL argued that the location of the server is irrelevant. As Delson responded then, regardless of whether the location of the server is relevant, that is not the only thing what the Interrogatory asked. Thus, the argument cannot justify the whole-sale refusal to respond to the Interrogatory. Further, also as Delson stated during the meet and confer, the hosting of various online services is featured prominently in THL's statement of use for the Marks-at-Issue. *See* Li Decl. Ex. C2 at 4-5. Delson also believes that such hosting of online services such as games, chats and emails is the only use, if any, of the Marks-at-Issue by THL in the United States. The evidence regarding the location of the servers is thus reasonably calculated to lead to discovery of admissible evidence, in that by knowing the location and other properties of the servers, Delson will be able to make a decision on how to conduct some meaningful discovery on the contents of the servers, which will potentially yield much evidence as to the priority of use and the likelihood of confusion. Further, one crucial piece of evidence that THL may proffer to prove its use in the United States is that the hosting servers for these online services are located in the United States. Delson is thus entitled to know the locations of the servers.

C. Deficient Responses to Requests for Production

1. Response to RFP 1, 4, 7, 8, 16, 17, 21, 22, 36, 37, 39-43, 51, and 52

THL refused to produce documents in its responses to the above-listed RFPs. Li Decl. Ex. B2. During the meet and confer, it seemed that THL agreed to amend the responses; but it never did. THL should be compelled to properly respond to RFP 1, 4, 7, 8, 16, 17, 21, 22, 36,

37, 39-43, 51, and 52, by providing a proper response and by producing the responsive documents.

2. Failure to Produce ESI

Like in court cases, electronically-stored information (“ESI”) must be produced if so requested in proceedings before the Board. *Frito-Lay N. Am. v. Princeton Vanguard, LLC*, 2011 TTAB LEXIS 364 (Trademark Trial & App. Bd. Nov. 16, 2011) (“ESI must be produced in Board proceedings where appropriate, notwithstanding the Board's limited jurisdiction and the traditional, i.e. narrow, view of discovery in Board proceedings.”). Delson specifically asked for ESI in nearly every one of its document request. Li Decl. Ex. B1. THL did not produce a single byte of ESI data.

D. Depositions

On August 28, 2014, Delson emailed THL to schedule depositions of David Wallerstein, Yan Xu, and Rule 30(b)(6) depositions of THL, Tencent America LLC, and Tencent Boston Inc. Li Decl. Ex. J. Despite repeated urging, THL so far has not offered a single date for the depositions. THL should be compelled to do so.

Dated: September 25, 2014

Respectfully submitted,

/J. James Li/

J. James Li, Ph.D.
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Counsel for Delson Group, Inc.
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CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing **MOTION TO COMPEL** has been served on Angela A. Sujek, Alan N. Harris, and Karen H. Anderson, Attorneys for Opposer Tencent Holdings Limited, by mailing said copy on September 25, 2014, via Fedex, postage prepaid to:

Angela A. Sujek
Alan N. Harris
Karen H. Anderson
BODMAN PLC
201 South Division St., Suite 400
Ann Harbor, MI 48104
Telephone: (734) 761-3680
Facsimile: (734) 930-2494

Attorneys for Opposer Tencent Holdings Limited



Sarah Kemppainen

Exhibit C

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451
General Contact Number: 571-272-8500

Mailed: March 3, 2015

**Opposition No. 91207516
(PARENT CASE)**

Tencent Holdings Limited

v.

Delson Group Inc.

Opposition No. 91215611

Delson Group Inc.

v.

Tencent Holdings Limited

Jennifer Krisp, Interlocutory Attorney:

This proceeding is before the Board for consideration of 1) Delson Group Inc.'s ("Delson") September 25, 2014 motion to compel discovery, 2) Delson's September 26, 2014 motion to test the sufficiency of responses to requests for admission, and 3) Tencent Holdings Limited's ("Tencent") October 15, 2014 cross-motion to compel discovery. The motions are fully briefed.

Delson Group Inc.'s Motion to Compel;¹

¹ To the extent that Delson seeks in its motion to compel a remedy with respect to its request for admissions, the motion to compel is inappropriate. A motion to compel is not applicable to requests for admission. See TBMP § 523.01 (2014). The Board has given separate consideration to Delson's September 26, 2014 motion to test the sufficiency of responses to its requests for admission.

The Board has given consideration to Delson's corrected declaration filed October 17, 2014. The Board may exercise its discretion to decline to consider any deficient, untimely or piecemeal filing. Delson should not expect that the Board will show such leniency as a matter of course with respect to piecemeal filings.

Initially, the Board finds, based on the record on Delson's motion, that Delson made a good faith effort, by conference and correspondence, to resolve with Tencent the issues presented in its motion before filing the motion, as is required under Trademark Rule 2.120(e)(1).

INTERROGATORY NO. 1

The interrogatory - which requests that Tencent identify all products and services it had sold, offered, marketed or distributed in the United States in connection with the marks at issue - is neither vague nor ambiguous, nor unduly burdensome, overbroad, irrelevant, intended to harass and annoy, or beyond the scope of permissible discovery. Tencent fails to substantiate its objections. The objections are not well-taken, and are overruled. Delson's inquiry as to the identity of goods and services sold, offered, marketed or distributed in the U.S. is relevant to its claims.

To the extent that Tencent objects, here or in objection to other interrogatories, that responding would be burdensome or beyond the scope of permissible discovery because it is a large company that has numerous subsidiaries and offers a wide range of goods and services, such objection does not, in itself, operate to alter its discovery duties. Tencent elected to cite as the basis for its opposition, and elected to assert rights in, and thus reserve its right to potentially rely at trial on, marks that cover a lengthy list of goods and services. Delson is entitled to relevant discovery with respect to the identified goods and services. Tencent has failed to set forth a viable

argument that information regarding the offering, marketing, distributing and/or selling of its identified goods and services is impermissible.

That said, Delson's motion is unclear as to what it seeks beyond the enumerated listing that Tencent set forth in its response. Delson argues that Tencent has improperly withheld information. The Board has ruled on Tencent's objections. In the event that Tencent has additional information, it is directed to serve a supplemental response to the interrogatory. In the event that Tencent has no responsive information in addition to or further to the response it provided, it must affirmatively state this.

INTERROGATORY NO. 2

For the same reasons noted above, the boilerplate objections raised by Tencent in its original and supplemental responses are overruled. The information requested is relevant and discoverable. Tencent's responses, including its references to archived website pages, are not sufficiently responsive. Delson requests the identified information for each product or service identified in response to Interrogatory No. 1.

Tencent is directed to serve a supplemental response. In the event that Tencent maintains its objection based on burden, Tencent may provide the specific types of information requested for each international class of products and services it has identified.

INTERROGATORY NO. 3

Inasmuch as Tencent has not asserted a pleading of ownership of a family of marks, and inasmuch as Tencent explicitly stated in its response

that it “has not made any such ‘contention’” that TENCENT is a family mark, the information that this interrogatory seeks does not pertain to facts relevant to a pleaded claim or defense, but rather is sought in order to explain a hypothetical pleading. Setting forth rights in similar marks does not establish a pleading of (or the existence of) a family of marks. *See, e.g., Black & Decker Corp. v. Emerson Electric Co.*, 84 USPQ2d 1482, 1490 (TTAB 2007). Delson’s view that Tencent may later use concealed facts and contentions “to ambush Delson” is insufficient reason to compel information that is directed to a hypothetical pleading.

In view of this, Delson’s motion is denied.

INTERROGATORY NO. 5

Tencent’s boilerplate objections are overruled. The information sought is relevant and discoverable. Tencent’s response is deficient and fails to identify which subsidiary sold, marketed or distributed each identified product and service. Tencent’s vague assertion that its response is warranted by “the interconnectedness of its affiliates” (Tencent’s brief, p. 9) provides no substantive argument against Delson’s motion and is mere obfuscation.

Tencent is directed to serve a supplemental response.

INTERROGATORY NO. 6

Tencent’s boilerplate objections are overruled. The information sought is relevant and discoverable. Tencent’s response, merely citing that it has

already disclosed individuals with actual knowledge of the evidence is on point, but insufficient inasmuch as the response to this interrogatory does not identify the managers and executives, as requested by Delson. Accordingly, the response is deficient.

Tencent is directed to serve a supplemental response. If Tencent has a large number of managers and executives, it need only provide the names and addresses of those officers most knowledgeable of its involved activities. *See* TBMP § 414(12) (2014).

INTERROGATORY NO. 7

Insofar as Tencent, in its response and supplemental response, referred Delson to certain pages of its document production, including its annual reports, without specific reference to each of the enumerated three points of information that Delson included in its interrogatory, the response is deficient.

Tencent is directed to serve a supplemental response. If Tencent continues its assertion of Fed. R. Civ. P. 33(d), it must, in its supplemental response, identify the records it references (e.g. by Bates numbers) in sufficient detail to enable Delson to locate and identify them, and to locate the information in said records that is responsive to each of the three points of information that Delson included in its interrogatory.

INTERROGATORY NOS. 8 and 9

Tencent's boilerplate objections are overruled. Tencent is directed to serve supplemental responses, subject to proper assertion of attorney-client privilege and attorney work-product doctrine. If Tencent maintains that a given interrogatory is duplicative or responds in a similar fashion, or if it maintains that it responded to the interrogatory elsewhere, it is insufficient to rely on a statement that it responded already, or responded "above" or in "the above answers." In such instances, Tencent must continue to identify the specific discovery request and page number(s) (e.g. Bates numbers) at which said response was provided to Delson.

INTERROGATORY NO. 10

Tencent's boilerplate objections are overruled. Tencent's objection that "research and development for its own business purposes is irrelevant" is noted. However, within the extensive services that Tencent elected to identify, Tencent includes various "design, research and development..." services. Accordingly, Tencent is directed to serve a supplemental response with respect to the "design, research and development..." services that it identified in its applications, subject to any proper assertion of attorney-client privilege and attorney work-product doctrine.

If Tencent maintains that the interrogatory is duplicative or responds in a similar fashion, or if it maintains that it responded to this interrogatory elsewhere in discovery, it may not, and it is insufficient to, rely on a statement that it responded already or "above" or in "the above answers;" in such instances, Tencent must identify the specific discovery request and page

number(s) (e.g. Bates numbers) at which said response was provided to Delson.

INTERROGATORY NO. 11

Tencent's boilerplate objections are overruled. With respect to 11(2), Delson has sufficiently set forth in its motion why the information sought is relevant. Tencent's response is deficient. Tencent is directed to serve a supplemental response. If Tencent maintains that the interrogatory is duplicative or similarly responds, or if it maintains that it responded to this interrogatory elsewhere, it is insufficient to rely on a statement that it responded already, or responded "above" or in "the above answers;" in such instances, Tencent must identify the specific discovery request and page number(s) (e.g. Bates numbers) at which said response was provided to Delson.

REQUESTS FOR PRODUCTION NOS. 1, 4, 7, 8, 16, 17, 21, 22, 36, 37, 39-43, 51 AND 52

In its motion to compel, Delson argues generally that Tencent refused to produce documents in response to the requests at issue, and that Tencent did not produce any electronically stored information (ESI). In response, Tencent maintains that its objections are proper.

The Board has reviewed each of the requests at issue. With respect to all requests at issue, Tencent's objections based on relevance are overruled.

Delson's motion is granted with respect to, and Tencent is directed to serve supplemental responses to, Request Nos. 7, 8, 21, 22, 36, 37, 39-42 and

51. In the event that Tencent does not have any responsive documents with respect to any of these discovery requests, it must specifically state so in its supplemental response.

Tencent's objections based on its assertion that Delson must further describe the requested documents and things with reasonable particularity pursuant to Fed. R. Civ. P. 34(b)(1)(A) are well-taken with respect to Request Nos. 1, 4, 16, 17, 43 and 52. Accordingly, Delson's motion is denied with respect to these requests. If Delson wishes to pursue further the matters set forth in Request Nos. 1, 4, 16, 17, 43 and 52, it may serve amended requests that describe the requested documents and things with reasonable particularity.

DISCOVERY DEPOSITIONS

Delson's request for an order compelling Tencent to provide dates for scheduling Delson's taking the depositions of David Wallerstein, Yan Xu and Fed. R. Civ. P. 30(b)(6) deposition of Tencent, appears to be premature under the circumstances. Specifically, the parties obviously came to an impasse with respect to a wide range of written discovery requests including requests for production, and it appears that the parties were still communicating regarding dates when Delson's motion was filed. Furthermore, inasmuch as Delson's Exhibit J in support of its requested relief consists of only one (August 28, 2014) email, the record is unclear as to whether Delson made a good faith effort to ascertain proposed deposition dates prior to filing its motion. Accordingly, Delson's motion is denied without prejudice.

Notwithstanding the Board's ruling, Tencent is, and for a lengthy time has been, on notice regarding the depositions that Delson intends to take. As a matter of convenience and courtesy, Tencent should provide possible dates to Delson so that the parties may promptly schedule the depositions by agreement rather than by unilateral notice. *See* TBMP § 404.01 (2014). The Board expects both parties to communicate in discerning mutually available dates, and looks with disfavor on any party who fails to provide the required level of cooperation in this regard.

Delson Group Inc.'s Motion to Test Sufficiency

REQUEST FOR ADMISSION NOS. 9 AND 10

Delson's requests specifically address "R&D in the U.S. on wireless technologies." In its response, Tencent neither admitted nor denied; it objected under Fed. R. Civ. P. 36(a)(5) on the ground of relevance "because R&D on wireless technologies is not a claimed service offering."

In its opposed application (Serial No. 85455475), Tencent does not identify within its services "research and development on wireless technologies." Tencent does identify "design, research and development in the field of telecommunication and broadcasting and related apparatus and equipment; design of web sites and software applications on global computer networks and local and internal business computer networks," in International Class 42. In view thereof, Tencent's objections are overruled. Tencent is directed to serve supplemental responses.

REQUEST FOR ADMISSION NOS. 11-14

Delson's requests specifically address exportation of research and development results. In its responses, Tencent objected on the basis of relevancy.

Delson explains, *inter alia*, that its requests are relevant and reasonably calculated to lead to discovery of admissible evidence because Tencent "is based in China" and "must have applied for export permits for conducting research and development activities in the United States in the wireless and other telecommunication area" (*sic*). (Delson's motion, p. 5)

Tencent's objections are overruled. It is directed to serve supplemental responses.

In summary and with regard to all requests to which the Board directs Tencent to serve a supplemental response, in the event that Tencent maintains that it responded to a request previously or in its response to other requests, it may not rely on a singular statement that it "already responded" or responded in "the above answers." Rather, in such instances it must specifically identify in its response the location of the other, prior or earlier response(s) by identifying the request and/or the page number(s) (e.g. bates numbers). Also, to the extent that Tencent maintains any objection based on the attorney-client privilege or attorney work product doctrine, it has the option to produce a privilege log. *See* Fed. R. Civ. P. 26(b)(5)(A)(ii). Tencent may produce appropriately-designated confidential or proprietary information or documents pursuant to the protective order applicable to this

proceeding by operation of Trademark Rule 2.116(g). *See Amazon Technologies Inc. v. Wax*, 93 USPQ2d 1702, 1706 n.6 (TTAB 2009).

Tencent Holdings Limited's Cross-motion to Compel

Tencent filed its motion after the Board suspended proceedings. Accordingly, the filing was procedurally improper. Tencent explains that its cross-motion is germane to Delson's motion "since both motions involve the same parties and issues." (Tencent's cross-motion, p. 5). Such factors do not justify the filing of the motion subsequent to the Board's suspension. Nevertheless, in the interest of advancing this consolidated proceeding, the Board exercises its discretion to give consideration to Tencent's cross-motion to compel discovery.²

The Board finds, based on the record on Tencent's motion, that Tencent made a good faith effort, by conference and correspondence, to resolve with Delson the issues presented in its motion before filing the motion, as required pursuant to Trademark Rule 2.120(e)(1).

At issue in the motion are responses and amended responses that Delson served in response to certain of Tencent's *first* set of interrogatories and *first* set of requests for production.

INTERROGATORY NOS. 1-2, 5-6, 8, 10, 12-16 AND 20

The Board has reviewed each of the interrogatories at issue, as well as Delson's responses thereto. The interrogatories are narrowly directed to ascertain information regarding Delson's use of its mark. Requests for details

² Delson's motion to strike Tencent's cross-motion is denied and is inappropriate. *See* TBMP § 517 (2014).

and the identification of documents that support Delson's claimed dates of use of the mark TENCENT, and for authorities on which Delson intends to rely, are not overbroad, unduly burdensome, vague or ambiguous, nor do the requests seek "pure issues of law." These objections are overruled.

Furthermore, there is little merit in Delson's arguments that the interrogatories posed are a "round-about way of," or "inherently problematic" or "convoluted way of" obtaining discovery. Also lacking merit are Delson's arguments that some of Tencent's interrogatories are "contention interrogatories which demand detailed answers that are not practical at this stage of litigation," and that the interrogatories inherently impinge on attorney-client privilege. That Delson "planned to supplement its responses at the end of the discovery period" does not justify the insufficient responses it has already provided, and does not justify its request that the Board should "delay" requiring responses. (Delson's brief, p.1) Most of Delson's responses to the interrogatories are couched in general terms, and lack specificity and detail. The record does not indicate any reason why Delson should be unable to answer specific inquiries regarding its use of its mark, marketing and promoting of its services, goodwill and consumer recognition, and other matters that it specifically alleges in its pleadings.

Delson is directed to serve supplemental or second amended responses to Interrogatory Nos. 1-2, 5-6, 8, 10, 12-16 and 20. Inasmuch as Delson states in its brief that it is "still searching for" documents, states in its brief that it planned to supplement its responses at a later date, and states in response to certain

interrogatories that it “is currently searching for more documents supporting the fact” (Delson’s amended response to Interrogatory Nos. 5 and 6; Tencent’s cross-motion, Exh. 1), Delson should be prepared to supplemental its responses as directed herein. To the extent that Delson maintains any objection based on the attorney-client privilege or attorney work product doctrine, it has the option to produce a privilege log. *See* Fed. R. Civ. P. 26(b)(5)(A)(ii).

REQUEST FOR PRODUCTION NOS. 1-13³

Tencent asserts that Delson’s production is “conspicuously insufficient.” (motion, p. 17) Delson states that it has so far produced all responsive documents that it has found, that it has prepared electronically stored information for production, and that it is still searching for documents and will produce any non-privileged documents as soon as they are found. (brief, p. 2).

Tencent’s requests for production are sufficiently tailored to ascertain information regarding Delson’s use of its mark and regarding its goods and services, and are within the scope of Fed. R. Civ. P. 34(a). Moreover, in Request No. 2, Tencent specifically requests electronically stored information.

Delson is directed to serve supplemental responses to Tencent’s first set of requests for production by providing all responsive, nonprivileged documents and things in its possession, custody or control.

Summary

³ Tencent submitted with its cross-motion an incomplete copy of the requests. Based on the concurrently-filed copy of Delson’s responses served on August 18, 2014, the Board acknowledges that there are 13 requests at issue in the cross-motion.

The parties' cross-motions to compel are granted in part and denied in part, as set forth herein.

General matters and directives

First, unless indicated otherwise, the parties are allowed until thirty days from the mailing date of this order in which to serve supplemental or amended responses as directed herein.

Second, in the event that either party files any further motion to compel or motion to test sufficiency, whether directed to the discovery at issue in these cross-motions or directed to discovery not at issue in the cross-motions, the filing party must satisfactorily demonstrate in its motion that subsequent to the mailing date of the instant order it made a sufficient and good faith effort to resolve the issue(s) in the newly-filed motion, prior to filing the motion. *See* Trademark Rule 2.120(e)(1). This is a firm requirement. *See Hot Tamale Mama...and More, LLC v. SF Invs., Inc.*, 110 USPQ2d 1080 (TTAB 2014).

Third, under Fed. R. Civ. P. 26(b)(2)(B), a party need not provide discovery of electronically stored information from sources that the party identifies as not reasonably accessible because of undue burden or cost. Pursuant to the rule, the party from whom discovery is sought must show that the material sought is "not reasonably accessible because of undue burden or cost." In these proceedings, neither party has demonstrated that electronically stored information which it may have is not reasonably accessible due to undue burden or cost. Accordingly,

the parties are directed to provide ESI, where appropriate, in response to written discovery.

Fourth, as the parties acknowledge, the primary issue in these proceedings is priority. These proceedings do not involve highly technical or complex issues. To the extent that either party takes the position that it may refuse to provide information or documents, while intending to rely on such information or documents for any purpose, the Board reiterates that a party that responds to any discovery request by indicating that it does not have the information sought, or by stating objections thereto, may be barred by its own action from introducing the information or documents as evidence. Application of the estoppel sanction or preclusion is within the Board's discretion. The Board does not hesitate to apply the sanction as appropriate in cases such as these consolidated proceedings. Furthermore, given the reversed positions of the parties in these proceedings, the Board is unlikely to find that the failure to timely disclose information or documents has been inadvertent, or justified or harmless. *See* TBMP § 507.01(e) (2014), and cases cited therein.

Fifth, under Fed. R. Civ. P. 26(e)(1), each party has a continuing duty at all times - not merely, as both parties have alluded to, at the end of discovery - to supplement its discovery responses. The Board looks with disfavor on any party that discloses information or material items at the last minute, and may hold such action subject to the preclusion sanction set forth in Fed. R. Civ. P. 37(c)(1). *See* TBMP § 408.03 (2014), and cases cited therein.

Schedule

Proceedings are resumed. Discovery and trial dates are reset as follows:⁴

Expert Disclosures Due	April 10, 2015
Discovery Closes	May 10, 2015

Plaintiff's Pretrial Disclosures [TENCENT IN 91207516, DELSON IN 91215611]	June 24, 2015
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30-day testimony period for plaintiff's testimony to close [TENCENT IN 91207516, DELSON IN 91215611]	August 8, 2015
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Defendant and Plaintiff's Pretrial Disclosures due [DELSO IN 91207516, DELSON IN 91215611]	August 23, 2015
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30-day testimony period for defendant and plaintiff to close [DELSO IN 91207516, DELSON IN 91215611]	October 7, 2015
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Defendant's [TENCENT IN 91215611] and Plaintiff's [TENCENT IN 91207516] Rebuttal Disclosures Due	October 22, 2015
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30-day testimony period for defendant [TENCENT IN 91215611] and rebuttal testimony for plaintiff [TENCENT IN 91207516] to close	December 6, 2015
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Plaintiff's Rebuttal Disclosures Due [DELSO IN 91215611]	December 21, 2015
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15-day rebuttal period for plaintiff [DELSO IN 91215611] to close	January 20, 2016
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Briefs shall be due as follows:

Brief for plaintiff [TENCENT IN 91207516, DELSON IN 91215611] due	March 20, 2016
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⁴ As noted in a prior order, in the event that the parties file a motion to suspend or extend, the motion must set forth a proposed reset schedule in the same manner as the schedule set forth herein.

Brief for defendant and plaintiff [DELSON IN
91207516, DELSON IN 91215611] due

April 19, 2016

Brief for defendant [TENCENT IN 91215611]
and reply brief, if any, for plaintiff [TENCENT
IN 91207516] due

May 19, 2016

Reply brief, if any, for plaintiff [DELSON IN
91215611] due

June 3, 2016

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125. Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

Exhibit D

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

TENCENT HOLDINGS LIMITED, Opposer, v. DELSON GROUP INC., Applicant.	Consolidated Opposition No. 91207516 TM: TENCENT (Serial No. 85/538,374)
DELSON GROUP INC. Opposer, v. TENCENT HOLDINGS LIMITED Applicant.	Opposition No. 91215611 TM: TENCENTWEIBO (Serial No. 85/455,475)

**DELSON GROUP INC.'S
FIRST SET OF REQUESTS FOR ADMISSION
TO TENCENT HOLDINGS LIMITED**

PROPOUNDING PARTY: Delson Group, Inc. (“Delson” or “Propounding Party”)

RESPONDING PARTY: Tencent Holdings Ltd. (“you,” “THL,” or “Responding Party”)

SET NUMBER: One

INSTRUCTIONS

You shall follow the instructions below in response to requests for admission propounded in this document (the “Requests”):

1. The Requests are deemed to be continuing in nature. If further responsive facts come into the possession or to the attention of Defendant or its attorneys at any time during the course of this litigation, such facts must be disclosed through supplemental responses to the Requests.
2. If you object to any of the Requests, you must state the grounds for the objection(s). If you object to only part of a request, you must state the objection and the grounds for the objection(s) and respond to the remainder of the request. For each request, you shall specifically admit the matter or deny the matter or set forth in detail the reasons why you cannot truthfully admit or deny the matter.
3. A denial shall fairly meet the substance of the requested admission; when good faith requires that you qualify an answer or deny only a part of the matter of which an admission is requested, you shall specify so much of it as is true and qualify or deny the remainder.
4. If you claim that you cannot admit or deny for lack of information or knowledge, you must explicitly state that you have made reasonable inquiry and that the information that you know or readily obtainable by you is insufficient to enable you to admit or deny.
5. If you object to responding to any Request on the grounds that the information requested is protected from disclosure by the attorney-client privilege, work-product doctrine, or any other privilege, you must so state, and you must provide sufficient information regarding the identity of the document or oral communication that are the basis of the asserted privilege in a privilege log within ten (10) days from the date of service of your responses. In particular, for

each privileged document or communication, please identify the following items of information to the extent they are applicable:

- a. its date;
- b. the name and title of its author(s);
- c. the name and title of its recipients;
- d. its subject matter;
- e. its number of pages;
- f. the nature of the privilege claimed and facts upon which you rely to support the claim of privilege;
- g. the number of the Request to which the document and/or communication is responsive; and
- h. such other information as is sufficient to identify the document to enable the Court to make an *in camera* determination as to any privilege or other basis for withholding production.

DEFINITIONS

The Definitions in Delson's First Set of Requests for Production are incorporated by reference as if fully set forth herein.

REQUESTS FOR ADMISSION

Request for Admission No. 1

Admit that THL does not claim TENCENT to be a family mark including TENCENTWEIBO.

Request for Admission No. 2

Admit that THL does not claim TENCENT to be a famous mark as defined by the Trademark Dilution Revision Act.

Request for Admission No. 3

Admit that before October 15, 2011, THL had never placed the Marks-at-Issue on any goods sold in the U.S.

Request for Admission No. 4

Admit that before October 15, 2011, THL had never placed the Marks-at-Issue on the containers of any goods sold in the U.S.

Request for Admission No. 5

Admit that before October 15, 2011, THL had never placed the Marks-at-Issue on any tags or labels affixed to goods sold in the U.S.

Request for Admission No. 6

Admit that before October 15, 2011, THL had never used the Marks-at-Issue in commerce on any goods sold in the U.S.

Request for Admission No. 7

Admit that before October 15, 2011 THL had never used or displayed the Marks-at-Issue in the sales or advertisement of any services in the U.S.

Request for Admission No. 8

Admit that THL has never conducted any R&D in the U.S.

Request for Admission No. 9

Admit that THL has conducted R&D in the U.S. on wireless technologies.

Request for Admission No. 10

Admit that THL has never conducted any R&D in the U.S. on wireless technologies.

Request for Admission No. 11

Admit that THL has never exported any R&D results to any foreign countries.

Request for Admission No. 12

Admit that THL has exported R&D results to a foreign country.

Request for Admission No. 13

Admit that THL has exported R&D results to China.

Request for Admission No. 14

Admit that THL has never applied for export licenses for transferring to China information or things Concerning its R&D in the U.S.

Date: June 11, 2014

/J. James Li/

J. James Li, Ph.D.
LiLaw Inc.
Counsel for
Delson Group, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing **DELSON GROUP INC.'S FIRST SET OF REQUESTS FOR ADMISSION TO TENCENT HOLDINGS LIMITED** has been served on Angela A. Sujek, Alan N. Harris, and Karen H. Anderson, Attorneys for Applicant Tencent Holdings Limited, by mailing said copy on June 11, 2014, via First Class Mail, postage prepaid to:

Angela A. Sujek
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